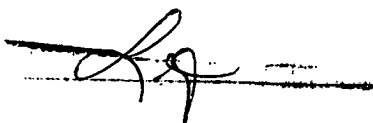


Central Intelligence Agency



Washington, D.C. 20505

AP/ ENC 

23 AUG 1989

OCA 2996-89

Mr. James C. Murr  
Assistant Director for Legislative Reference  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. Murr:

This is in response to your request for the views of the Central Intelligence Agency on H.R. 2478, the "Intelligence Authorization Act for 1990." With the exception of the one area of concern discussed below, CIA has no objection to passage of this legislation.

The CIA remains strongly opposed to section 402 of the Bill that mandates the transmittal of any CIA Inspector General report requested by either of the Intelligence Committees to both of the Committees. We have communicated this opposition to every Member of the House Intelligence Committee in writing and through meetings with the Committee's leadership. We urge the Administration to strongly oppose this section as unwise and unnecessary in the Administration statement on the Bill.

Section 402 of the Bill is unnecessary because the Committees already have access to that information in Inspector General reports most relevant to Congressional oversight. Specifically, the Committees have access to reports of audits conducted by the Inspector General and reports of investigations which reveal institutional wrongdoing, i.e., investigations of allegations or indications of illegal or improper intelligence activities. The relevant substance of management inspection reports can generally be conveyed to the Committees by summaries and by briefings by the Inspector General and other appropriate officials.

Enactment of section 402 of the Bill will have a serious detrimental effect on the quality of management inspection reports. Management inspections involve a review of the

Mr. James C. Murr

Agency's organization, and the management and effectiveness of CIA operations. The quality of Inspector General management inspections is heavily dependent on the willingness of Agency officers to be candid during confidential interviews. The promise of confidentiality could not be maintained if these reports are routinely provided to Congress. Knowing that such reports might be routinely given to Congress might also chill the willingness of managers and executives to offer conflicting or innovative suggestions. A statutory requirement for provision of these reports to Congress will impact adversely on the utility of these reports to the Director and ultimately on their value to the Agency. The Inspector General's ability to carry out his responsibilities could be weakened by adoption of section 402.

Beyond the concern we have for the quality of the Inspector General reports, the Director remains concerned about the implications of section 402 on the issue of management of CIA. The Director is responsible for management of the Agency. He should be allowed to carry out this responsibility without a statutory right by Congress to review every management inspection and recommendation made to him.


The Department of Justice also has expressed grave doubt about the constitutionality of mandating access to all Inspector General reports. The Department has expressed its concern about the constitutionality of the provision in a letter to the Chairman of the House Intelligence Committee. I urge that you solicit the views of the Department of Justice on section 402 of the Bill.

The CIA intends to continue its efforts to persuade Congress to delete section 402 from the Intelligence Authorization Bill. We believe that an accommodation can be reached with the House Intelligence Committee so as to satisfy the need of the Committee to have insight into activities of the Inspector General and still preserve the Inspector General process as a management tool for the Director and other senior officials. Strong Administration support for this position will be crucial in preventing enactment of the Inspector General provision.

Mr. James C. Murr

Thank you for the opportunity to express the views of the CIA on this legislation. Should you desire additional comments, please contact  of my staff at 482-6126.

Sincerely,

 E. Norbert Garrett  
Director of Congressional Affairs

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Mr. James C. Murr

OCA/LEG/ [ ] (23 Aug 1989)

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